

Medical Plan Options

Cigna Limited Network

- » Similar to an HMO
- » All your medical care comes from an IPA, either Cigna KelseyCare, Mayor Group IPA or Renaissance IPA. Medical services provided outside of your IPA won't be covered, except for emergencies
- » You can to choose doctors within your IPA
- » Copayments for office visits and other medical services
- » New medical services deductibles
- » 4-tier prescription-drug plan with a \$100 individual/\$300 family deductible

Cigna Open Access

- » Most like a PPO
- » You'll be able to visit any of the 572,800 providers in Cigna's national network without referrals, but only emergency services are covered out of network
- » Copayments for routine and specialists doctor visits
- » For other services, there is a deductible
- » After you've reached your deductible, you'll pay a 30-percent coinsurance for services
- » 4-tier prescription-drug plan - no deductible

Consumer-Driven Health Plan

- » Same spacious network as the Open Access plan, but it also allows you to go out of network at higher deductibles and coinsurance
- » This plan is the lowest monthly contribution option
- » High deductible of \$1,500 individual/ \$3,000 family
- » More money out of your pocket at time of service
- » Includes a health reimbursement account where the city pays the first \$500 to \$1,000, depending on tier
- » 4-tier prescription-drug plan; you'll pay a 20-percent coinsurance for all four tiers

Retirees of Texas Option Plus

- » Same network as Cigna Open Access
- » Available only to retirees who live in Texas, but outside of the counties in the Cigna Limited Network plan
- » Same benefits as the Cigna Limited Network plan

Plan Changes for 2013

Cigna Limited Network and Retirees of Texas Option Plus

- There is now a \$100 individual or \$300 family medical services deductible
- PCP visits increase from \$30 to **\$35**
- Specialist visits increase from \$60 to **\$100**
- The yearly max for inpatient hospital and facility services increases from \$1,000 to **\$1,500**
- Prescription drug copayments for preferred brands increases from \$45 to **\$60** and from \$60 to **\$85** for non-preferred.
- The annual out-of-pocket maximum increases from \$1,500 for an individual to **\$2,000** and from \$3,000 to **\$4,000** for a family.

Note: The copayment remains \$10 for generic prescriptions.

Cigna Open Access

- The medical services deductible for an individual increases to **\$500** from \$400 and **\$1,000** from \$800 for a family.
- PCP visits increase from \$35 to **\$40**
- Specialist visits increase from \$60 to **\$100**
- Non-CCN specialists visits increase from \$75 to **\$115**
- Coinsurance increases from 20 percent to 30 percent for inpatient hospital, facility and professional services, outpatient surgery facility and advanced radiology, etc.
- The annual out-of-pocket maximum increases from \$3,000 for an individual to **\$3,500** and from \$6,000 to **\$7,000** for a family.

Note: The coinsurance remains 20% for prescription drugs.

There are no plan design changes for the Consumer-Driven Health Plan.

| Monthly retiree contributions | | | | |
|-------------------------------|-----------------------|-------------------|----------|------------|
| | Cigna Limited Network | Cigna Open Access | CDHP | RTOP |
| Non-tobacco users | | | | |
| Retiree only | \$322.76 | \$537.94 | \$268.98 | \$537.94 |
| Retiree + spouse | \$839.20 | \$1,398.70 | \$699.34 | \$1,398.70 |
| Retiree + children | \$516.44 | \$860.74 | \$430.36 | \$860.74 |
| Retiree + family | \$1,032.88 | \$1,721.50 | \$860.74 | \$1,721.50 |

Dental Plan Options

We still have two great dental plans: the **DHMO**, a dental health-maintenance organization with a network of dentists and the **Dental Indemnity** plan, a traditional plan that lets you receive a comprehensive range of dental services from the provider of your choice anywhere in the United States.

Reminder: you may switch dental plans, but if you are not already enrolled, you may not enroll in a dental plan.

The rates and benefits remain the same this year. For a plan comparison, visit the enrollment website.

| Retiree dental contributions | | |
|------------------------------------|---------|-----------|
| | DHMO | Indemnity |
| Monthly contributions for retirees | | |
| Retiree only | \$9.00 | \$31.58 |
| Retiree + one | \$20.68 | \$72.66 |
| Retiree + family | \$28.36 | \$99.50 |



Vision Plan

New to your benefit plan options this year is a stand-alone vision plan. BlockVision is the administrator of this plan, which replaces the limited vision benefit in the Cigna medical plan.

You have the freedom to choose a provider from a participating list that includes retail chains as well as independent practices. There are no deductibles and no claim forms, unless you use a non-network provider. You will have to pay for those services up front and be reimbursed.

Plan includes:

- » An annual routine eye exam with a \$20 copayment
- » Yearly eyewear benefit for either eyeglasses or contact lenses with \$25 copayment
- » For eyeglasses - \$150 retail allowance for frames
- » For contact lenses - \$150 retail allowance for contact lenses and lens fitting fee
- » The following standard lens options covered at 100 percent: single vision, bifocal, trifocal, lenticular, progressives, hi-index and polycarbonate
- » The following lens extras covered at 100 percent: tints, photochromic, UV coating, scratch coating and anti-reflective.
- » A one-time \$300 LASIK allowance

Participating retail providers include:

- » Eyemasters/Visionworks
- » Wal-Mart
- » Sam's Club
- » Eye Care Centers of America
- » TSO
- » Today's Vision

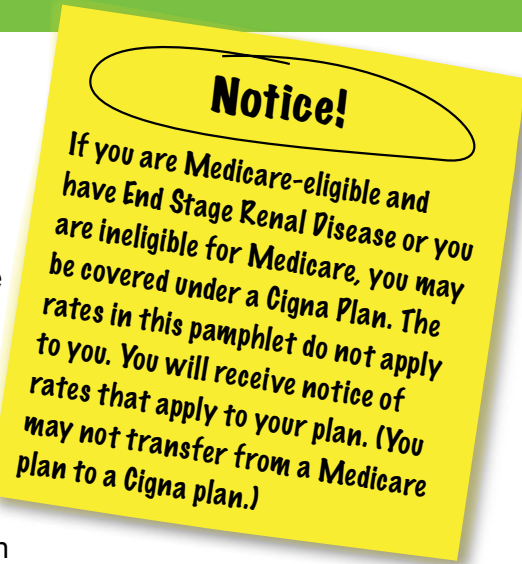
| Monthly retiree contributions | |
|-------------------------------|--------------|
| | Block Vision |
| Retiree only | \$7.64 |
| Retiree + spouse | \$13.06 |
| Retiree + children | \$13.80 |
| Retiree + family | \$20.70 |

Becoming Medicare Eligible

You become Medicare eligible on the first day of the month in which you turn 65, or if your birthday is on the first of the month, on the first day of the prior month. If you or a dependent becomes Medicare eligible, you must apply for Medicare parts A and B. **Do not apply for Medicare Plan D.** All city Medicare plans include a prescription benefit equal to, or better than Medicare Plan D. Medicare-eligible retirees or their Medicare eligible dependents are not eligible to participate in a city Cigna medical plan. You should start the process to enroll in Medicare at least three months in advance.

Once you receive your Medicare card or acceptance letter, you must enroll in one of the six Medicare plans offered by the city. Your coverage will become effective on the first day of the month after your enrollment forms are received by the benefits division. And, you can change plans at the first of any month.

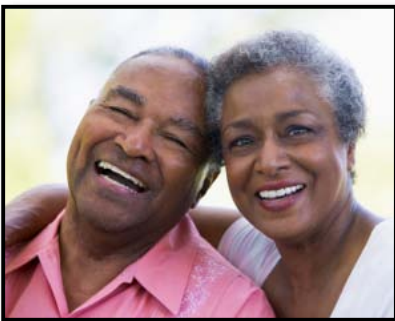
If you need assistance navigating the Medicare process, contact the Human Resources benefits division. Our customer service representatives can help guide you.



Medicare plan monthly contributions

| | |
|---|---------|
| Aetna ESA PPO | \$83.38 |
| KelseyCare Advantage HMO | \$32.67 |
| KelseyCare Advantage POS | \$53.71 |
| Medicare supplement plan F* with prescription drug plan | \$82.02 |
| HealthSpring | \$16.66 |
| TexanPlus HMO | \$35.57 |

*Excludes disabled members under age 65



Eligibility & Enrollment

You are eligible for retiree coverage if:

- » You're a retiree now covered by a city medical plan.
- » You're a survivor of a deceased city employee or retiree, up to dependent children age limits and application of other plan rules.
- » You're a deferred-retired employee who will become eligible to receive a pension within five years after termination, and you continuously pay the monthly retiree contribution for health coverage.
- » You're a retiree who opted out of your city health-care plan after Jan. 1, 2010.



Your eligible dependents are defined as:

- » Legal spouse
- » Natural or adopted children to age 26
- » Children to age 26, over whom you have legal guardianship or legal foster care
- » Grandchildren and stepchildren to age 26 if they qualify as your dependents for federal income-tax purposes and live with you
- » Disabled dependents over age 26 who are incapable of self-sustaining employment because of mental retardation or physical handicap. The dependent must be primarily dependent on you for more than 50 percent of financial support and approved for coverage after age 26
- » Dependents (children and grandchildren) for whom a court order has been received requiring the retiree to provide healthcare coverage, provided HR benefits receives the court order within 31 days after issuance. After a divorce, an ex-spouse is not eligible, except by court order issued at the time of a divorce. A divorce decree may not be amended to require a retiree to cover an ex-spouse under a city medical plan.
- » Changes to your benefits are limited to open-enrollment periods, unless you have a qualified change in family status. The change in benefits must be consistent with the status change.



Enrolling in a plan

If you wish to enroll or make changes, request a form from the benefits division.

If you add new dependents, you have until April 30 to provide the necessary documentation, or those dependents will not have coverage. Documents include marriage license and birth certificates.



City of Houston
Human Resources
P.O. Box 248
Houston, TX 77002

Contact Information

Cigna
800-997-1406
cityofhouston.serviceinquiries@cigna.com
www.mycigna.com

United Healthcare (National Pacific Dental)
866-605-2599
DHMO | www.yourdentalplan.com/npd
Indemnity | www.myuhcdental.com

Human Resources Benefits
713-837-9400 or 888-205-9266
benefits@houston.tx.gov
www.houston.tx.gov/oe

Block Vision
866-265-0517
www.blockvision.com



DiscoverHealth
Annual Enrollment for City of Houston Retirees

Retiree Fact Sheet

What's new?

- » You now have three Independent Physician Association choices in the Cigna Limited Network plan.
 - Cigna KelseyCare
 - Mayor Healthcare Group IPA
 - Renaissance IPA
- » Medical plan contributions are increasing
- » Retirees who are in a Cigna medical plan have the option of adding a new stand-alone vision plan
- » There are a few plan design changes in the Cigna Limited Network, Retirees of Texas Option Plus and Cigna Open Access plans



What do I need to do?

- » If you are happy with your current selections - do nothing, your coverage will remain the same.
- » If you want to switch or drop plans or dependants, request an enrollment form from the benefits division.
- » Update your beneficiary - It's important that your beneficiary is up-to-date so that your benefits will go to the right person.
- » If you or your dependent becomes Medicare eligible, you must enroll in Medicare Parts A and B as well as a city Medicare plan. Medicare-eligible retirees or dependents are not eligible to participate in a Cigna plan.

